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<sup>\*</sup> Asterisk indicates change

## RIDER MVI - PAGE 1 OF 6 MARKET VALUE INDEX

## 1. Applicability

This Rider is applicable to Customers served under Rider PPO, Power Purchase Option, and to Customers subject to Rider TC, Transition Charge. This Rider determines the market values utilized to determine the prices of electric power and energy for purposes of Rider PPO and utilized in Rider TC to calculate Transition Charges.

For Customers already taking service under Service Classification 110 or Rider PPO prior to the effective date of Rider MVI, the market values used in Customer's Transition Charge and electric power and energy rates under Rider PPO shall be effective until Customer's next Anniversary Date. However, if Customer's first Anniversary Date following the effective date of Rider MVI is on or after January 1, 2002, Utility will reset Customer's Transition Charge and electric power and energy rates on January 1, 2002 using the values from Rider MVI and will recalculate Customer's Transition Charge and electric power and energy rates again on Customer's actual first Anniversary Date in 2002.

\* This Rider MVI shall terminate without notice at the conclusion of Utility's June 2003 billing cycle. However, for customers already taking service under Service Classification 110 prior to bill cycle one of July 2003, the market values utilized in Customer's Transition Charge and, if applicable, utilized to determine the prices of electric power and energy for purposes of Rider PPO shall continue to be effective until Customer's next Anniversary Date.

## 2. Market Value Energy Charges

Utility will determine a separate On-Peak Energy charge and an Off-Peak Energy charge for each month.

## 3. Definitions

As used in this Rider, the following terms shall have the meanings set forth below. All other capitalized terms used in this Rider shall have the meanings set forth in Utility's Service Classification 110, in Utility's Standard Terms and Conditions, and in Utility's Rules, Regulations and Conditions Applying to Electric Service.

\* Asterisk indicates change

## RIDER PPO - PAGE 1 OF 13 POWER PURCHASE OPTION SERVICE

#### 1. Nature of Service

\* Utility will provide electric energy under this Rider to any eligible non-residential Customer taking, or that has satisfied all prerequisites to take, Delivery Services under Utility's SC 110, up to the amount of electric energy delivered by Utility to Customer pursuant to SC 110, at a price or prices equal to the market values of electric power and energy for an Annual Period shown in Appendix 2 to Rider TC, and used to calculate Customer's Transition Charge in accordance with Rider TC.

## 2. Availability

Service under this Rider is available to any non-residential Customer taking Delivery Services from Utility under SC 110 subject to the following conditions:

- a. That Customer shall have given Utility at least 30 days' written notice of Customer's request for service under this Rider. Notwithstanding, Utility will accept written notice up to two Business Days after Utility's market values are published pursuant to Section 4(c) of Rider MVI for Bundled Service Customers wanting to begin, or PPO Customers wanting to renew, PPO Service on their next scheduled meter read occurring (i) less than 30 days after the publication of Utility's market values and (ii) after the effective date of the market values. In any event, the written notice shall specify the date upon which PPO Service will begin.
- b. That prior to receiving service under this Rider Customer shall have entered into a PPO Contract with Utility of one year's duration for service under this Rider. If Customer is subject to Section 8 of this Rider, Customer's PPO Contract shall separately state Customer's Firm PPO Capacity and Customer's NonFirm PPO Capacity, if any.
- c. That electric energy purchased by Customer under this Rider must be delivered by Utility to Customer pursuant to SC 110.

#### RIDER PPO - PAGE 2 OF 13

## 2. Availability (Continued)

- d. That Customer's PPO Contract shall specify a PPO Capacity such that the total of (i) Customer's PPO Capacity under such PPO Contract plus (ii) Customer's PPO Capacities under any other PPO Contracts entered into by Customer and still in effect plus (iii) the portion of Customer's Distribution Capacity allocated to Delivery Services under that is in excess of Customer's PPO Capacities under its PPO Contracts plus (iv) Customer's capacity under Rider PRS shall not exceed Customer's Distribution Capacity as of the date service to Customer under this Rider pursuant to such PPO Contract commences. Provided, however, that the PPO Capacity for a Customer taking all of its electric energy requirements under a single Firm PPO Contract shall be equal to that Customer's Distribution Capacity at all times.
- e. That the amount of PPO Energy supplied by Utility to Customer (and any Assignee) under this Rider in any hour shall not exceed the amount of energy delivered by Utility to Customer during such hour under SC 110.
- f. That Customer (and any Assignee) shall continue to comply with all terms and conditions of service under SC 110, provided, that Utility shall act as Customer's Transmission Service Agent to arrange for and schedule Transmission Service for Customer's purchases of electric power and energy from Utility pursuant to this Rider.
- That Customer's Transition Charge determined pursuant to Rider TC is greater than g. zero throughout the term of Customer's PPO Contract. If Customer's Transition Charge determined pursuant to Rider TC becomes zero, Utility shall provide Customer with at least 30 days' written notice that Customer's PPO Contract (and any rights of an Assignee to the electric power and energy purchased by customer under such PPO Contract) and Customer's right to service under this Rider (and the right to service of any Assignee) shall immediately terminate. If Customer's Transition Charge determined pursuant to Rider TC becomes zero due to a change in Utility's market values published pursuant to Section 4(c) of Rider MVI thereby terminating Customer's PPO Contract, Utility will allow Customer to return to Bundled Service on the Customer's next regularly scheduled meter reading date that occurs 30 days or less from the date Utility notifies Customer of the Rider TC charge becoming zero, provided Customer notifies Utility no more than 2 Business Days after Utility's market values are published that Customer desires to return to Bundled Service.

#### **RIDER PPO - PAGE 3 OF 13**

## 2. Availability (Continued)

\* h. If Customer elects a Transition Charge with a Multi-Year Market Value established by Rider MVI II in the December publication, as evidenced by their entering into a contract for such Multi-Year Market Value in accordance with Section 7(a) of Rider TC, the Customer's PPO Contract (and any rights of an Assignee to the electric power and energy purchased by Customer under such PPO contract) and Customer's right to service under this Rider (and the right to service of any Assignee) shall terminate upon the effective date of such Multi-Year Market Value contract. In addition, during the term of any contract entered into pursuant to Section 7 of Rider TC, and notwithstanding any other provisions of SC110, Rider PPO, Rider PRS, Rider ISS or any Bundled Service Classification, the Utility shall have no obligation to supply electric power and energy and Customer shall acknowledge via an affidavit that it shall have no right to receive from Utility electric power and energy for the electric power and energy requirements placed on Delivery Services by a Customer which has entered into a contract pursuant to Section 7 of Rider TC for the period covered by such contract.

## 3. Definitions

As used in this Rider, the following terms shall have the meanings set forth below. All other capitalized terms used in this Rider shall have the meanings set forth in Utility's Terms & Conditions.

Annual Period for Customer who went to Delivery Services under Off-Cycle Switching Service means the one-year period for which there is no change to the applicable market values used to calculate Customer's Transition Charge and to determine Customer's electric power and energy rates under Section 5(a) of this Rider. For Customer who went to Delivery Services with an on-cycle switch, Annual Period means the 12 consecutive billing cycle months for which there is no change to the applicable market values used to calculate Customer's Transition Charge and to determine Customer's electric power and energy rates under Section 5(a) of this Rider.

#### **RIDER PPO - PAGE 4 OF 13**

## 3. <u>Definitions</u> (Continued)

\* Anniversary Date for Customer who went to Delivery Services under Off-Cycle Switching Service means the date on which Customer first started taking Delivery Services under SC 110. For Customer who went to Delivery Services with an on-cycle switch, Anniversary Date means the regularly scheduled meter reading date for the anniversary month in which Customer first started taking Delivery Services under SC 110. Customer's Anniversary Date, however, may not necessarily be the same date on which Customer first started taking service under Rider PPO. The first time that a Delivery Services Customer elects a Transition Charge with a Multi-Year Market Value established by Rider MVI II in the December publication, as evidenced by their entering into a contract for such Multi-Year Market Value in accordance with Section 7(a) of Rider TC, their Anniversary Date shall be reset to the effective date of the Multi-Year Market Value contract. In the event a Delivery Services Customer returns to Bundled Service and, after meeting all Bundled Service time requirements, takes Delivery Services again, such Customer's Anniversary Date shall be reset to the Off-Cycle or oncycle date, as applicable, on which they return to Delivery Services.

Assignee means (a) a Customer taking service under Utility's SC 110 that would be eligible for service under this Rider and that contracts with Primary Customer for the purchase or assignment of Primary Customer's interest in electric energy which the Primary Customer purchases under this Rider; or (b) an Alternative Retail Electric Supplier that (i) has obtained a Certificate of Service Authority from the Commission, (ii) is serving Primary Customer, and (iii) contracts with Primary Customer for the purchase or assignment of Primary Customer's interest in electric energy which Primary Customer, and (ii) contracts with Primary Customer for the purchase or assignment of Primary Customer, and (ii) contracts with Primary Customer for the purchase or assignment of Primary Customer's interest in electric energy which Primary Customer purchases under this Rider.

Central Prevailing Time means Central Standard Time or Central Daylight Savings Time as in effect in Utility's service area on any day.

Contract Rate means a special or negotiated rate contract or a contract service contract between Utility and Customer.

- \* Firm means electric power and energy which is not subject to interruption or curtailment by Utility except to the extent Customers served on Utility's Bundled Service Classifications (excluding Service Classifications 30 and 35, Rider S and the interruptible portion of any Contract Rate) are similarly curtailed.
  - \* Asterisk indicates change

#### RIDER PPO - PAGE 5 OF 13

## 3. Definitions (Continued)

**NERC Holidays** means New Year's Day, Memorial Day (observed), Independence Day, Labor Day, Thanksgiving Day and Christmas Day, or as published from time to time by NERC.

NonFirm means electric energy which is subject to interruption or curtailment on the terms specified in Utility's SC 30, SC 35 or Rider S or the interruptible portion of any Contract Rate, as applicable.

\* On Peak means the hours identified in Rider MVI, or Rider MVI II, whichever is applicable.

Off Peak means all hours that are not On Peak.

**PPO Capacity** means the maximum amount of energy which Utility is obligated to supply to Customer in any hour under this Rider as specified in Customer's PPO Contract or Contracts.

**PPO Contract** means a written contract of one year's duration entered into between Customer and Utility for service pursuant to this Rider.

**PPO Energy** means the kWh of electric energy supplied by Utility to Customer in each hour pursuant to this Rider, as determined in accordance with Section 8.C. of SC 110.

**Primary Customer** means the Customer initially contracting for service from Utility under this Rider, and shall not be an Assignee.

#### 4. Conditions of Service

- a. Upon completion of all other prerequisites for service under this Rider and SC 110, including provision by Customer of the requisite notice to Utility and execution of Customer's PPO Contract, as required by Section 2, Utility shall submit an Enrollment DASR in accordance with the provisions of SC 110 in order to initiate Customer's service under this Rider. Service under this Rider shall commence on Customer's Activation Date in accordance with Section 11.A. of SC 150.
- b. Customer or Customer's agent shall notify the Utility of expected changes in Customer's operations that would result in material changes in Customer's short term or long term consumption of electric energy.

#### RIDER PPO - PAGE 6 OF 13

## 4. Conditions of Service (Continued)

- c. Delivery to Customer of electric energy supplied by Utility pursuant to this Rider shall be subject to the rates, terms and conditions of Utility's SC 110.
- d. As a result of the additional amounts to be billed by Utility to Customer taking service under this Rider, as compared to customers taking only Delivery Services from Utility, Customer may be subject to additional credit or deposit requirements imposed by Utility in accordance with the provisions of Part 280.

#### 5. Rates

## \*a. Electric Power and Energy

Customer shall be billed, for each billing period, for each kW of Customer's Firm PPO Capacity and for all kWh of Firm and NonFirm PPO Energy supplied by Utility under this Rider in each temporal period at the applicable capacity and energy prices specified for the effective Annual Period in Appendix 2 to Rider TC reduced for energy losses at the transmission level, which are billed under the applicable OATT pursuant to Section 5(e). If Customer's PPO Contract extends into a second Annual Period, Customer shall be billed, for each billing period during such subsequent Annual Period, for each kW of Customer's Firm PPO Capacity

and for all kWh of Firm and NonFirm PPO Energy at the applicable capacity and energy prices specified in Appendix 2 to Rider TC effective for such subsequent Annual Period.

For a Customer already taking service under this Rider prior to the effective date of Rider MVI II, the market values used to determine Customer's electric power and energy rates under this Section 5(a) shall be effective until Customer's next Anniversary Date as defined in the tariff herein. In addition, for a Customer already taking service under this Rider prior to the effective date of Rider MVI II, any charges for capacity in Appendix 2 to Rider TC referenced in the preceding paragraph shall apply effective with Customer's next Anniversary Date.

#### b. Transition Charge

Customer taking service from Utility under this Rider shall be billed the Transition Charge applicable to Customer in accordance with Rider TC.

#### c. Administration Fee

Customer shall be billed, each month, an Administration Fee as follows based on Customer's PPO Capacity:

#### RIDER PPO - PAGE 7 OF 13

## 5. Rates (Continued)

- (i) For Customer with PPO Capacity of less than 1,000 kW
  - \$22.50 per billing period
- (ii) For Customer with PPO Capacity 1,000 kW or more
  - \$37.00 per billing period
- (iii) For Customer serving less than its entire electric power and energy requirement under this Rider
  - \$52.00 per billing period
- d. Energy Efficiency Program Charge

An Energy Efficiency Program Charge equal to \$.000025 per kWh for all kWh of energy delivered under this Rider PPO to Customer pursuant to the provisions of Section 6-6 of the Renewable Energy, Energy Efficiency, and Coal Resources Development Law of 1997, as amended.

#### e. Other Charges

Customer will be subject to all other charges provided for in SC 110 that are applicable to Customer as a Delivery Services customer, including, without limiting the foregoing, IFC Charges, as well as charges for Transmission Services, including but not limited to Ancillary Services, pursuant to the applicable OATT.

## 6. Provisions Applicable to Customer Not Placing All Its Electric Power and Energy Requirement on this Rider

a. Customer eligible for service under this Rider may place a portion of its electric power and energy requirement on this Rider and serve the remainder through one or both of the following: (i) Rider PRS, or (ii) purchases of electric power and energy from a Retail Electric Supplier as delivered to Customer pursuant to SC 110.

#### RIDER PPO - PAGE 8 OF 13

# 6. Provisions Applicable to Customer Not Placing All Its Electric Power and Energy Requirement on this Rider (Continued)

- b. Before commencing service under this Section, Customer shall have signed a contract with Utility specifying the method of determining Customer's PPO Energy for each hour, the amount of electric power and energy to be supplied by a RES, how subsequent increases in Customer's Distribution Capacity and Maximum Demand are to be allocated between PPO Services and RES supply, and their respective order of hourly deliveries when taken through the same meter at a Customer's Point of Delivery;
  - (ii) if Customer is taking some or all of its non-PPO electric power and energy from Utility under Rider PRS, Customer's contract required by Rider PRS shall specify the portion of Customer's electric power and energy requirement to be served under Rider PPO, Rider PRS and by a RES, if applicable, as required in Rider PRS;
  - (iii) if Customer is subject to Section 8 of this Rider, the method of determining Customer's PPO Energy shall be stated separately for Customer's Firm PPO Capacity and Customer's NonFirm PPO Capacity in Customer's contract under this Rider.
  - c. If Customer sells or assigns its interest under Rider PPO as provided in Section 7 of this Rider, the Assignee may not increase the PPO Capacity sold or assigned even if Primary Customer's PPO Capacity is governed by this Section.

## 7. Sale or Assignment of Primary Customer's Interest in Electric Power and Energy

- a. A Primary Customer taking service under this Rider shall be entitled to sell or assign its interest in the electric energy which Primary Customer purchases from Utility pursuant to this Rider, to an Assignee. No more than one sale or assignment of Primary Customer's interest in electric energy purchased from Utility under a PPO Contract shall be allowed. The amount of electric energy in which Primary Customer may sell or assign its interest to an Assignee shall not exceed, in any hour, the PPO Capacity specified in Primary Customer's PPO Contract with Utility.
- b. Primary Customer seeking to make a sale or assignment hereunder shall give at least five days written notice to Utility specifying (i) the name and address of the Assignee, (ii) the Assignee's Point of Delivery, and (iii) the duration of the sale or assignment. Provided, that where Assignee is a RES, the Point of Delivery for electric energy supplied under this Rider after the assignment shall continue to be Primary Customer's Point of Delivery. Such sale or assignment shall be effective on the first day of Primary Customer's next billing period beginning after expiration of the five day notice period.

#### **RIDER PPO - PAGE 9 OF 13**

## 7. Sale or Assignment of Primary Customer's Interest in Electric Power and Energy (Continued)

## c. Responsibility for Payment of Charges

- (i) If Utility determines that Assignee has adequate credit standing to support responsibility for payment of all charges under this Rider and SC 110, including the Transition Charge and IFC Charges, with respect to the sold or assigned interest in electric energy, and Assignee signs a written contract with Utility to assume primary responsibility for payment of all such charges, then Assignee shall be billed by Utility, and shall be primarily responsible to Utility, for payment of all charges under this Rider and SC 110, including Transition Charges (in accordance with subsection 7(f) below), IFC Charges, and charges under Utility's OATT, with respect to the electric energy the interest in which has been assigned to Assignee. Primary Customer shall remain responsible for payment of all such charges if Assignee fails to pay such charges by the due date.
- (ii) In all other cases, Primary Customer shall continue to be billed by Utility, and responsible to Utility, for payment of all charges of Utility under this Rider and SC 110, including the Transition Charge and IFC Charges applicable to Primary Customer and charges under Utility's OATT, with respect to the electric energy in which Primary Customer has assigned its interest, as though Primary Customer had not made the sale or assignment.
- d. PPO Capacity in which Primary Customer's interest has been sold or assigned to Assignee shall not be increased above the amount sold or assigned.
- \*e. If Assignee is a Customer taking service under SC 110 and becomes primarily responsible for payment of charges pursuant to Section 7(c), then the Transition Charge billed to Assignee shall be the Transition Charge that is or has previously been calculated for Assignee. In the case of all other sales or assignments, the Transition Charge billed to Assignee or Primary Customer, as the case may be, shall continue to be the Transition Charge applicable to Primary Customer. In all sales and assignments, Firm PPO Capacity and electric energy shall continue to be billed at the market values of electric power and energy shown in Appendix 2 to Rider TC that would have been applicable to Primary Customer had there been no assignment; provided, that if assignment is made to an Assignee which is a RES, such market price of energy shall be reduced by 0.0024 cents per kWh for retail marketing costs.

#### **RIDER PPO - PAGE 10 OF 13**

## 7. Sale or Assignment of Primary Customer's Interest in Electric Power and Energy (Continued)

f. Primary Customer shall pay a one-time charge to Utility for processing the sale or assignment of the Primary Customer's interest in electric energy supplied by Utility pursuant to a PPO Contract. The one-time charge per sale or assignment, based on the amount of Primary Customer's PPO Capacity under its PPO Contract, is as follows:

For Primary Customer with PPO Capacity of less than 1,000 kW \$270.00

For Primary Customer with PPO Capacity 1,000 kW or more \$445.00

g. Assignee shall be responsible for making hourly nominations in accordance with Section 4(b) of this Rider, provided, that Assignee shall not be entitled to an amount of PPO Energy in any hour that exceeds the amount of electric energy delivered by Utility to Primary Customer in such hour.

## 8. <u>Provisions Applicable to Customers Formerly Served on Interruptible Service</u> Classifications or the Interruptible Portions of Contract Rates

## a. Applicability

Unless Customer has exercised the option provided in Subsection 8.f, the provisions of Subsections 8.b through 8.e shall be applicable to Customer that places on this Rider any electric power and energy requirement that during the year immediately preceding Customer's Delivery Services Eligibility Date was served on, respectively, Utility's SC 30, SC 35, Rider S, or the interruptible portion of a Contract Rate.

#### b. Customer Formerly Served on Service Classification 30

(i) Customer's electric power and energy requirements placed on this Rider that were served on Utility's SC 30 during the year immediately preceding Customer's Delivery Services Eligibility Date shall be subject to interruptions and curtailments in accordance with the provisions of Sections 2(d) and 4 of SC 30. Customer shall be subject to additional charges, and to adjustments to Customer's contracted Firm Power under Customer's Bundled Service Classification, if any, in accordance with Section 3(g)(3) of SC 30 during periods of interruption or curtailment.

#### RIDER PPO - PAGE 11 OF 13

#### 8. Provisions Applicable to Customers Formerly Served on Interruptible Service Classifications or the Interruptible Portions of Contract Rates (Continued)

(ii) Customer shall be eligible to purchase Buy Through Energy in accordance with Sections 2(e) and 3(d)(2) of SC 30, in lieu of interruption or curtailment of Customer's service under this Rider. For each kWh of Buy Through Energy Customer uses, Utility will bill Customer the higher of the charges specified in Section 3(d)(2) of SC 30 or the applicable electric energy price under Section 5(a) of this Rider.

#### Customer Formerly Served on Service Classification 35 c.

- (i) Customer's electric power and energy requirements placed on this Rider that were served on Utility's SC 35 during the year immediately preceding Customer's Delivery Services Eligibility Date shall be subject to interruptions and curtailments in accordance with the provisions of Sections 2(e) and 5 of SC 35. Customer shall be subject to additional charges, and to termination of Customer's NonFirm PPO Capacity, in accordance with Section 6(c) of SC 35 during periods of interruption or curtailment.
- (ii) As provided in Section 3(c)(1) of SC 35, during periods in which Utility anticipates operating generating units having a heat rate greater than 15,000 Btu's per kWh or purchasing energy under the emergency provisions of its interchange agreements, Utility will bill Customer the higher of 10.00 cents per kWh for electric energy supplied by Utility pursuant to this Rider, or the applicable electric energy price under Section 5(a) of this Rider.

#### d. Customer Formerly Served under Rider S

(i) Customer's electric power and energy requirements placed on this Rider that were served on Utility's Rider S during the year immediately preceding Customer's Delivery Services Eligibility Date shall be subject to interruptions and curtailments in accordance with the provisions of Sections 2 and 6 of Rider S. Customer shall be subject to additional charges, to adjustments to Customer's contracted Firm Capacity under Customer's Bundled Service Classification, if any, and to reductions in Customer's NonFirm PPO Capacity, in accordance with Section 3(a)(3) of Rider S during periods of interruption or curtailment.

#### **RIDER PPO - PAGE 12 OF 13**

## 8.d. (Continued)

- (ii) As provided in Section 3(a)(2)(i) of Rider S, during periods in which Utility anticipates operating generating units having a heat rate greater than 15,000 Btu's per kWh or purchasing energy under the emergency provisions of its interchange agreements, Utility will bill Customer the higher of 10.00 cents per kWh for electric energy supplied by Utility pursuant to this Rider, or the applicable electric energy price under Section 5(a) of this Rider.
- (iii) Customer shall be eligible to purchase Buy Through Energy in accordance with Section 3(a)(2)(ii) of Rider S, in lieu of interruption or curtailment of Customer's service under this Rider. For each kWh of Buy Through Energy Customer uses, Utility will bill Customer the higher of the charges specified in Section 3(a)(2)(ii) of Rider S or the applicable electric energy price under Section 5(a) of this Rider.

## e. Customer Formerly Served under the Interruptible Portion of a Contract Rate

Customer's electric power and energy requirements placed on this Rider that were served on the interruptible portion of a Contract Rate with Utility during the year immediately preceding Customer's Delivery Services Eligibility Date shall be subject to interruptions and curtailments, and to additional charges and adjustments to Customer's Firm capacity under such Contract Rate or Customer's Bundled Service Classification during periods of interruptions and curtailments, in accordance with the provisions of such Contract Rate. The terms and conditions under which Customer's electric power and energy requirements may be subject to interruption or curtailment, and the additional charges and adjustments to Customer's Firm capacity to which Customer may be subject, shall be set forth in an addendum to Customer's PPO Contract.

#### **RIDER PPO - PAGE 13 OF 13**

- 8. Provisions Applicable to Customers Formerly Served on Interruptible Service
  Classifications or the Interruptible Portions of Contract Rates (Continued)
  - \* f. Option for Customer to Terminate Applicability of Section 8 of this Rider

A Customer subject to Subsection 8.b, 8.c, 8.d or 8.e of this Rider may, after the expiration of any notice period or remaining contract term requirement to which Customer was subject under SC 30, SC 35, Rider S or the interruptible portion of a Contract Rate, elect to terminate applicability of such Subsection by requesting that the Transition Charge applicable to Customer's electric power and energy requirements subject to such Subsection be thereafter calculated as though such electric power and energy requirements had been served on the Firm Bundled Service Classification that would have been applicable to Customer during the year immediately preceding Customer's Delivery Services Eligibility Date. If Customer elects this option, Customer's Transition Charge, and the charges to customer for PPO Capacity and PPO Energy, shall thereafter be based on the applicable Firm Capacity and Energy Prices set forth in Appendix 2 to Rider TC.

<sup>\*</sup> Asterisk indicates change

## \*RIDER TC - PAGE 1 OF 14 TRANSITION CHARGE FOR CUSTOMERS

## 1. Applicability

- (a) This Rider is applicable to the following Customers in Utility's Service Area: (i) all Customers served under SC 110, (ii) all Non-Qualifying Self-Generation Customers, and (iii) all Direct Purchase Customers.
- (b) A Customer served under SC 110 shall be billed each billing period for an amount of Transition Charges equal to the product of the number of kWh delivered to Customer under SC 110 in the billing period (adjusted, if necessary, in accordance with subsection 1(e) hereof), multiplied by (i) the Transition Charge for the current Annual Period applicable to Customer, if Customer's Transition Charge is determined by a Customer-specific calculation as provided in Section 3 hereof or (ii) the Transition Charge for the current Annual Period applicable to the TC Group which includes Customer. The amounts in (i) and (ii) shall be calculated in accordance with Section 4(a) of this Rider.
- (c) A Non-Qualifying Self-Generation Customer shall be billed each billing period for an amount of Transition Charges equal to the product of the number of kWh received by such Customer from Customer's Non-Qualifying Self-Generation Facility as though such kWh had been delivered to Customer by Utility, multiplied by (i) the Transition Charge applicable to Customer, if Customer's Transition Charge is determined by a Customer-specific calculation as provided in Section 3 hereof or (ii) the Transition Charge applicable to the TC Group which includes Customer. The amounts in (i) and (ii) shall be calculated in accordance with Section 4(a) of this Rider except that a factor DSc shall not be included in such calculation.
- (d) A Direct Purchase Customer shall, on or before its Direct Purchase Customer Determination Date, either (i) pay Utility a lump-sum amount equal to the total amount of Transition Charges which the Direct Purchase Customer would pay Utility if it took service under SC 110 from the Direct Purchase Customer Determination Date to December 31, 2006; or (ii) sign a contract with Utility obligating the Direct Purchase Customer to pay such lump-sum amount ratably in equal monthly payments over the period from the Direct Purchase Customer Determination Date to December 31, 2006. The lump-sum amount of Transition Charges shall be calculated in accordance with Section 4(b) of this Rider.

#### \*RIDER TC - PAGE 2 OF 14

## 1. Applicability (Continued)

(e) If a Customer obtained electric power and energy from cogeneration or self-generation facilities installed for its own use on or before January 1, 1997 but subsequently takes service from an Alternative Retail Electric Supplier or an electric utility other than Utility for any portion of the Customer's electric power and energy requirements formerly obtained from such cogeneration or self-generation facilities, the Transition Charge otherwise applicable to Customer under Section 1(b) or 1(d) of this Rider shall not be applicable to that portion of Customer's electric power and energy requirements formerly obtained from such cogeneration or self-generation facilities, provided, that such portion shall not exceed the average number of kWh per year obtained from such cogeneration or self-generation facilities during the three years prior to Customer's Delivery Services Eligibility Date, and provided further, that the exemption from Transition Charges provided by this Section 1(e) shall not apply to any kWh purchased by Customer from Utility pursuant to Rider PPO.

#### 2. Definitions

As used in this Rider, the following terms shall have the meanings set forth below. All other capitalized terms used in this Rider shall have the meanings set forth in Utility's Terms & Conditions.

Alternative Retail Electric Supplier has the same meaning as set forth in Section 16-102 of the Public Utilities Act.

\* Anniversary Date for Customer who went to Delivery Services under Off-Cycle Switching Service means the date on which Customer first started taking Delivery Services under SC 110. For Customer who went to Delivery Services with an on-cycle switch, Anniversary Date means the regularly scheduled meter reading date for the anniversary month in which Customer first started taking Delivery Services under SC 110. Customer's Anniversary Date, however, may not necessarily be the same date on which Customer first started taking service under Rider PPO. The first time that a Delivery Services Customer elects a Transition Charge with a Multi-Year Market Value established by Rider MVI II in the December publication, as evidenced by their entering into a contract for such Multi-Year Market Value in accordance with Section 7(a) of the tariff herein, their Anniversary Date shall be reset to the effective date of the Multi-Year Market Value contract. In the event a Delivery Services Customer returns to Bundled Service and, after meeting all Bundled Service time requirements, takes Delivery Services again, such Customer's Anniversary Date shall be reset to the Off-Cycle or oncycle date, as applicable, on which they return to Delivery Services.

<sup>\*</sup>Asterisk indicates change

#### \* RIDER TC - PAGE 3 OF 14

## 2. Definitions (Continued)

Annual Period for Customer who went to Delivery Services under Off-Cycle Switching Service means the one-year period for which there is no change to the applicable market values used to calculate Customer's Transition Charge and to determine Customer's electric power and energy rates under Rider PPO. For Customer who went to Delivery Services with an on-cycle switch, Annual Period means the 12 consecutive billing cycle months for which there is no change to the applicable market values used to calculate Customer's Transition Charge and to determine Customer's electric power and energy rates under Rider PPO.

Customer Type shall mean one of the following categories for which load profiles shall be applied in calculating Transition Charges, as provided in workpapers to this Rider regarding allocation of usage: (1) office, (2) restaurants, (3) retail, (4) grocery stores, (5) schools, (6) lodging, (7) miscellaneous commercial, (8) lighting, (9) industrial, and (10) residential.

Central Prevailing Time means Central Standard Time or Central Daylight Savings Time as in effect in Utility's service area on any day.

Coincident Peak Demand means the demands of a Customer or TC Group each month occurring at the same time as the maximum demand on Utility's system in such month. For Customers or TC Groups for which there is not historical data on hourly usage, an estimate of the monthly Customer or TC Group Coincident Peak Demand shall be determined as described in workpapers to this Rider regarding coincident peak determination.

Contract Rate means the price or prices for electric service specified in a special or negotiated rate contract or in a contract service contract between Utility and Customer.

Delivery Services Eligibility Date means the date on which Customer first became eligible for Delivery Services. For non-residential Customers, this date shall be one of the following, as applicable to Customer: (i) October 1, 1999; (ii) the date between October 1, 1999 and December 31, 2000, on which Customer became eligible for Delivery Services on the basis of an average monthly maximum demand greater than 4 MW; or (iii) December 31, 2000. For all non-residential Customers first becoming a Customer of Utility subsequent to December 31, 2000, Customer's Delivery Services Eligibility Date shall be December 31, 2000. For all residential Customers, May 1, 2002 shall be Customer's Delivery Services Eligibility Date.

#### \*RIDER TC - PAGE 4 OF 14

## 2. <u>Definitions</u> (Continued)

**Direct Purchase Customer** means a Customer that takes electric power and energy from an ARES or from an electric utility other than Utility but that does not take service under SC 110 for delivery of such electric power and energy to Customer.

Direct Purchase Customer Determination Date means the later of (i) the date the Customer becomes a Direct Purchase Customer or (ii) the Direct Purchase Customer's Delivery Services Eligibility Date.

- \* Firm means electric power and energy which is not subject to curtailment by Utility except to the extent Customers served on Utility's Bundled Service Classifications (excluding SC 30 and 35, Rider S and the interruptible portion of any Contract Rate) are similarly curtailed.
- \* Multi-Year Market Value means that Market Value established by Rider MVI II in the December publication that is fixed for more than one Annual Period for the purpose of calculating Customer's Transition Charge.
- \* NonFirm means electric energy which is subject to interruption or curtailment on the terms specified in Utility's SC30, SC35, or Rider S or the interruptible portion of any Contract Rate, as applicable.

Non-Qualifying Self Generation Customer means a Customer receiving electric energy from a Non-Qualifying Self-Generation Facility.

Non-Qualifying Self-Generation Facility means a cogeneration or self-generation facility or facilities located at Customer's premises which do not meet each of criteria (i) through (iv) in Section 16-108(f) of the Public Utilities Act, unless such facility (a) does not serve any other Customer and (b) either (i) was installed on behalf of Customer and for Customer's own use prior to January 1, 1997, or (ii) is both predominantly fueled from by-products of Customer's manufacturing process at such premises and sells or offers an average of 300 MW or more of electric power and energy produced from such facilities into the wholesale market.

\* On Peak means the hours identified in Rider MVI, or Rider MVI II, whichever is applicable.

Off Peak means all hours that are not On Peak, including NERC Holidays.

\*Asterisk indicates change

#### \*RIDER TC - PAGE 5 OF 14

## 2. Definitions (Continued)

\* Standby Customer means a Customer taking service from Utility to provide temporary backup and maintenance power when Customer's own electric generating facilities are fully or partially inoperative on a planned or unplanned basis or whose BRc component of the Transition Charge calculation in conjunction with Section 4(a) of the tariff herein is based upon Service Classification 22 or Service Classification 30.

Tariff Rate means the charges for electric service set forth in workpapers to this Rider for the Service Classification under which the Customer took service from Utility, or would have taken service from Utility had Customer been a customer of Utility, during the 12 months preceding the Customer's Delivery Services Eligibility Date. Such charges reflect the base rates in effect on October 1, 1996, adjusted for the elimination of Utility's fuel adjustment clause and, for residential customers, the rate reductions which occurred on August, 1, 1998 and May 1, 2002.

**TC Group** means a grouping of Customers for purposes of determination of a Transition Charge as provided in Section 5 of this Rider.

## 3. Non-Residential Customers for Which Transition Charge Will be Determined by a Customer-Specific Calculation

Utility shall calculate the Transition Charge for each applicable Annual Period by a Customer-specific calculation for any non-residential Customer falling into at least one of categories (a) through (c) below, provided, that there exists either (i) data on Customer's usage during the three years preceding Customer's Delivery Services Eligibility Date, or (ii) if such data does not exist, comparable usage information or sufficient basis in Utility's reasonable judgment to develop a three-year usage history for Customer, and provided further, that Customer shall sign a contract with Utility specifying the Transition Charges to be paid by Customer. The Transition Charge applicable to each Customer subject to this Rider that is not entitled to a Customer-specific calculation shall be the Transition Charge calculated for the applicable Annual Period for the TC Group established pursuant to Section 5 of this Rider which includes Customer.

- (a) Any Customer with average maximum electrical demand on Utility's system during the six months with Customer's highest monthly maximum electrical demands during the three years prior to Customer's Delivery Services Eligibility Date of 100 kW or greater;
- (b) Any Customer served on a special or negotiated rate contract or a contract service contract during the 12 months preceding Customer's Delivery Services Eligibility Date, unless such contract prohibits use of Customer's Contract Rate to calculate Transition Charges; and

\*Asterisk indicates change

#### \* RIDER TC - PAGE 6 OF 14

# 3. Non-Residential Customers for Which Transition Charge Will be Determined by a Customer-Specific Calculation (Continued)

(c) Any Customer served at a Delivery Voltage greater than 600 volts.

## 4. Determination of Transition Charge

(a) For Customers taking service under SC 110, the Transition Charge applicable to each Customer entitled to a Customer-specific calculation in accordance with Section 3, or to each Customer in a TC Group, for each Annual Period shall be calculated as follows:

 $TCc = (BRc - DSc - MVc - Mc)/Qc \times 100$ 

#### Where:

TCc = Per kWh Transition Charge, expressed in cents per kWh and rounded to the nearest .001 cents, to be billed for each kWh delivered to Customer during the Annual Period, provided, that if TCc for such Customer or TC Group as calculated per the above formula for an Annual Period is less than zero, then Customer's Transition Charge shall be zero for such Annual Period.

BRc = The amount of revenue Utility would receive from a Customer entitled to a Customer-specific calculation in accordance with Section 3, or from the Customers in a TC Group, if Utility were serving such Customer's or Customers' electric power and energy requirements under (i) the Tariff Rate or (ii) the Contract Rate, as applicable, under which the Customer or TC Group was taking service, or would have taken service had the Customer been a Customer of Utility, during the 12 months prior to the Customer's Delivery Services Eligibility Date, based on the actual values for the Customer or TC group of the billing determinants used in the Tariff Rate or Contract Rate applicable to such Customer or TC Group during the 36 month period ended 90 days prior to Customer's or Customers' Delivery Service Eligibility Date and on Qc for such Customer or TC Group. For Customer who took service on more than one Tariff Rate or Contract Rate during such 12 month period and is entitled to a customer-specific calculation, BRc shall be a prorated calculation based on the portions of such 12 month period during which Customer took service on each such Tariff Rate or Contract Rate. Any Customer not entitled to a Customer-specific calculation that took service on more than one Tariff Rate during such 12 month period shall be placed in a TC Group associated with the Tariff Rate on which the Customer last took service during such 12-month period.

#### \*RIDER TC - PAGE 7 OF 14

## 4. Determination of Transition Charge (Continued)

(a) (Continued)

DSc = The amount of revenue Utility would receive from a Customer entitled to a Customer-specific calculation in accordance with Section 3, or from the Customers in a TC Group, if Utility were to deliver such Customer's or TC Group's electric power and energy requirements to such Customer or Customers based on Utility's current rates for Transmission Services and Ancillary Services under its OATT and for Distribution Delivery Services under SC 110, with DSc calculated as:

$$DSc = Tc + Dc + A1c + A4c + [(A2c + A3c + A5c + A6c) X (1 + LFA)],$$

Where:

Tc = The amount of Transmission Service revenue Utility would receive from the Customer or TC Group for transmitting Qc (adjusted for losses to the generation level based on LFA), based on the prices for Network Integration Service in Schedule 34 of Utility's OATT at the time of the calculation and calculated in accordance with workpapers to this Rider regarding coincident peak determination.

Dc = The amount of Distribution Delivery Services revenue (excluding any Transition Charge revenue) Utility would receive for transmitting Qc, based on the rates in SC 110 and the Distribution Delivery Services taken by Customer from Utility. Distribution Delivery Services that are self-provided by the Customer or that the Customer obtains from a third party shall not be included in the computation of Dc.

A1c = The amount of revenue Utility would receive from Customer or TC Group for transmitting Qc, based on Schedule 1, Scheduling, System Control and Dispatch Service, of Utility's OATT.

A2c = The amount of revenue Utility would receive from Customer or TC Group for transmitting Qc, based on Schedule 2, Reactive Supply and Voltage Control from Generation Sources Service, of Utility's OATT.

### \* RIDER TC - PAGE 8 OF 14

## 4. Determination of Transition Charge (Continued)

(a) (Continued)

A3c = The amount of revenue Utility would receive from Customer or TC Group for transmitting Qc, based on Schedule 3, Regulation and Frequency Response Service, of Utility's OATT.

A4c = 0.0 cents/kWh

A5c = The amount of revenue Utility would receive from Customer or TC Group for transmitting Qc, based on Schedule 5, Operating Reserve - Spinning Reserve Service, of Utility's OATT.

A6c = The amount of revenue Utility would receive from Customer or TC Group for transmitting Qc, based on Schedule 6, Operating Reserve - Supplemental Reserve Service, of Utility's OATT.

LFA = The loss factor applicable to Customer or to Customers in the TC Group, based on such Customer's or Customers' Delivery Voltage, as specified in Utility's OATT and SC 110. LFA represents the additional amount of energy that electric power and energy providers must supply in order for a Customer or TC Group to receive one kWh of energy. For purposes of this Rider, all Customers in a TC Group shall be deemed to be served at distribution - secondary Delivery Voltage.

\*MVc = The market value of monthly demand and Qc for Customer entitled to a Customerspecific calculation in accordance with Section 3, or for the TC Group, during an Annual Period with MVc calculated as:

#### \* RIDER TC - PAGE 9 OF 14

## 4. Determination of Transition Charge (Continued)

(a) (Continued)

 $MVc = \Sigma[(Mkt(i) \times Qci) \times (1 + LFA)],$ 

- \* Where: Σ = The summation of the monthly values of Mkt for the temporal periods. Rider MVI or Rider MVI II, whichever is applicable, shall determine the market values per kWh for the temporal periods which are On Peak and Off Peak. For those customers who have elected a Transition Charge with a Multi-Year Market Value pursuant to Section 7 of the tariff herein, the market values per kWh shall represent the Multi-Year Market Values as calculated in Rider MVI II. In the calculation of MVc the market values per kWh determined from Rider MVI or Rider MVI II, whichever is applicable, in the On-Peak period or periods shall be adjusted using the adjustment for differences in load profiling required by Section IV.B.2.a.iii of the Commission's Order issued August 25, 1999, in Dockets 99-0120 and 99-0134.
- \* Mkt(i) = Per kWh market value of electric power and energy for a temporal period for each month, with Mkt calculated as:

$$Mkt(i) = \underbrace{[(FirmP\&E(i) X FirmQci) + (NonFirmP\&E(i) X NonFirm Qci) + (CDC X Dmd)]}_{(Firm Qci + NonFirm Qci)},$$

#### where:

FirmP&E(i) = Per kWh market value of Firm Energy for the temporal period for each month, adjusted by the Customer's actual historical usage (if available) or TC Group's applicable monthly load profile for each such month in accordance with workpapers to this Rider regarding allocation of usage.

NonFirmP&E(i) = Per kWh market value of NonFirm Energy for the temporal period for each month, adjusted by the Customer's actual historical usage (if available) or TC Group's applicable monthly load profile for each such month in accordance with workpapers to this Rider regarding allocation of usage.

\* CDC = Per kW value of the Capacity Demand Credit which shall be the value stated in Appendix 2 and, if applicable, Appendix 3 of this Rider with such value applicable only to Firm load. For Customers taking Delivery Services prior to the effective date of Rider MVI II, such value of Capacity Demand Credit will not be applied until Customer's next Anniversary Date.

<sup>\*</sup>Asterisk indicates change

#### \* RIDER TC - PAGE 10 OF 14

## 4. Determination of Transition Charge (Continued)

(a) (Continued)

FirmQci = All kWh usage of Customer or TC Group in Qc for the temporal period of each month which is not NonFirmQci.

NonFirmQci = kWh usage of Customer or TC Group in Qc for the temporal period for each month supplied under SC 30, SC 35, Rider S, or the interruptible portion of a Contract Rate.

- \* Dmd = the Firm monthly demand of Customer entitled to a Customer-specific calculation or of Customer's TC Group for the 36-month period ended 90-days prior to the Delivery Services Eligibility Date for such Customer or Customers. Such Firm monthly demand shall be the monthly Distribution Capacity for Standby Customers and the monthly Maximum Demand for all other Customers less any amount that is NonFirm.
- The market values per kWh in each period, after adjustment pursuant to the preceding paragraph, shall be increased by (i) 0.0248 cents per kWh to represent retail marketing costs and uncollectibles costs. The Firm and NonFirm per kWh market values applicable to the temporal periods in the Annual Period, showing adjustments in accordance with the preceding sentence, and the Capacity Demand Credit used to establish MVc shall be set forth in a bi-monthly Information Sheet to Appendix 2 of this Rider. Utility shall file a revised Information Sheet to Appendix 2 of this Rider with the Commission on or before the fifteenth day of each February, April, June, August, October and December setting forth the market values that will be applicable during the respective Annual Period. To the extent Firm and NonFirm per kWh Multi-Year Market Values are determined pursuant to Rider MVI II, such values, adjusted in accordance with this paragraph, applicable to the temporal periods in the Annual Period and the Capacity Demand Credit used to establish MVc shall be set forth in an annual Information Sheet to Appendix 3 of this Rider. A revised Information Sheet to Appendix 3 of this Rider shall be filed with the Commission on or before the fifteenth day of December. If the fifteenth day of any such filing month referenced in this paragraph falls on a Saturday, Sunday or holiday, such market values shall be made available on the next following Business Day.

Unless otherwise ordered by the Commission, the data shown on an Information Sheet filed in accordance with this paragraph shall become effective as indicated on the Information Sheet and shall remain in effect during the effective Annual Period.

#### \* RIDER TC - PAGE 11 OF 14

## 4. Determination of Transition Charge (Continued)

(a) (Continued)

Mc = The mitigation factor dollars for a Customer entitled to a Customer-specific calculation in accordance with Section 3, or for the Customers in a TC Group, where Mc is as follows:

For non-residential Customers, Mc is calculated as the greater of the following values:

Period	Mc Value
Oct. 1, 1999 - Dec. 31, 2002	0.5 ¢ X Qc or .08 X BRc
Jan. 1, 2003 - Dec. 31, 2004	0.5 ¢ X Qc or .10 X BRc
Jan. 1, 2005 - Dec. 31, 2005	0.6 ¢ X Qc or .11 X BRc
Jan. 1, 2006 - Dec. 31, 2006	0.9 ¢ X Qc or .12 X BRc

For residential Customers, Mc is calculated as follows:

<u>Period</u>	Mc Value
May 1, 2002 – Dec. 31, 2002	.06 X BRc
Jan. 1, 2003 – Dec. 31, 2004	.07 X BRc
Jan. 1, 2005 – Dec. 31, 2005	.08 X BRc
Jan. 1, 2006 – Dec. 31, 2006	.10 X BRc

Qc = The actual kWh usage of the Customer entitled to a Customer-specific calculation in accordance with Section 3, or of a TC Group, for the 36-month period ended 90 days prior to the Delivery Services Eligibility Date for such Customer or Customers.

#### \* RIDER TC - PAGE 12 OF 14

## 4. Determination of Transition Charge (Continued)

(b) For a Direct Purchase Customer, the lump-sum amount shall be calculated as the total amount of Transition Charges Customer would pay based on (i) the Transition Charge for the Annual Period which includes Customer's Direct Purchase Customer Determination Date, adjusted as described in this Section 4(b), multiplied by (ii) Customer's kWh usage during the twelve months ended 90 days prior to Customer's Direct Purchase Customer Determination Date (adjusted, if applicable, in accordance with Section 1(d) of this Rider), for the number of years or portions thereof from Customer's Direct Purchase Customer Determination Date to December 31, 2006, provided, that in calculating the lump-sum amount, (X) Factor DSc shall not be included in the calculation of the Transition Charge, and (Y) the value for Mc applicable to each period from the Direct Purchase Determination Date to December 31, 2006 shall be used in calculating the Transition Charge for each such period.

## 5. Determination of Customer's TC Group

Utility shall calculate Transition Charges, in accordance with Section 4(a), for each TC Group set forth in Appendix 1 to this Rider. Any Customer not entitled to a Customerspecific calculation in accordance with Section 3 of this Rider shall be billed the Transition Charge that has been calculated for Customer's TC Group. Customer's TC Group shall be determined based on (i) Customer's former Bundled Service Classification during the 12 months preceding Customer's Delivery Services Eligibility Date, (ii) whether Customer is a space-heat or non-space heat customer, (iii) Customer's annual kWh usage, and (iv) Customer's Type, in accordance with Appendix 1. Transition Charges for each TC Group shall be shown on a bi-monthly Information Sheet to Appendix 1 of this Rider. Utility shall file a revised Information Sheet to Appendix 1 of this Rider with the Commission on or before the fifteenth day of each February, April, June, August, October and December setting forth the Transition Charges for each TC Group that will be applicable during the respective Annual Period. If the fifteenth day of such month falls on a Saturday, Sunday or holiday, such Transition Charges for each TC Group shall be made available on the next following Business Day. Unless otherwise ordered by the Commission, the data shown on an Information Sheet filed in accordance with this paragraph shall become effective as indicated on the Information Sheet and shall remain in effect during the effective Annual Period, except for revisions to Transition Charges due to changes in Utility's rates for Transmission Services and Ancillary Services under its OATT, for distribution Delivery Services under SC 110, and changes in mitigation factors in accordance with this Rider.

#### \* RIDER TC - PAGE 13 OF 14

## 6. Determination of Transition Charges for Annual Periods

\* On or before the fifteenth day of each February, April, June, August, October and December, Utility shall calculate Transition Charges to be applicable during the Annual Period. If the fifteenth day of such month falls on a Saturday, Sunday or holiday, such Transition Charges shall be made available on the next following Business Day. Such Transition Charges shall be calculated in accordance with Section 4(a) of this Rider, but shall be based on (X) Utility's current rates for Transmission Services and Ancillary Services under its OATT and for Distribution Delivery Services under SC 110, (Y) the market values for the Annual Period, determined pursuant to Rider MVI or Rider MVI II, whichever is applicable, filed by Utility with the Commission on or before each such fifteenth day, and (Z) the applicable values of Mc. Utility shall file with the Commission Information Sheets to Appendix 1 of this Rider on or before each such fifteenth day setting forth the Transition Charges to be applicable for each TC Group for Delivery Services commencing in the next two billing cycle months. The Transition Charges calculated and filed pursuant to this Section shall be applicable to any Customer commencing Delivery Services. Transition Charge shall be reset on Customer's Anniversary Date, based on the market values and/or Transition Charges on file with the Commission for such Anniversary Date. For Customers already taking Delivery Services prior to the effective date of Rider MVI II, the market values used in the Customer's Transition Charge shall be effective until Customer's next Anniversary Date. The first time that a Delivery Services customer elects a Transition Charge with a Multi-Year Market Value established by Rider MVI II in the December publication, as evidenced by their entering into a contract for such Multi-Year Market Value in accordance with Section 7(a) herein, their Anniversary Date shall be reset to the effective date of the Multi-Year Market Value contract. Except as provided in Section 7 of this Rider and in Rider PPO, each Customer commencing Delivery Services shall be subject to the Transition Charge that is applicable to Customer for such Annual Period.

#### \* RIDER TC - PAGE 14 OF 14

## 7. <u>Contract for Market Values in Transition Charges for Periods Greater Than One</u> Year

- \*(a) To the extent that Rider MVI II establishes Multi-Year Market Values Utility will enter into a contract with any Customer purchasing its power and energy requirements from a RES for the term of such contract to use such market values in Customer's Transition Charge. The length of such contract shall be equal to the number of years represented by the Multi-Year Market Value chosen by the Customer. Any Multi-Year Market Values established by Rider MVI II shall be set forth in a revised Information Sheet to Appendix 3 of this tariff on or before December fifteenth as referenced in Section 4(a) of the tariff herein. Customers wishing to enter into a Multi-Year Market Value contract, assuming all the requirements for receiving RES supply service have been met, may do so only with a contract with an effective date in either the January or February billing cycle months immediately following the December such values were calculated as specified on the applicable Information Sheet to Appendix 3 of this tariff. Customer's Transition Charge reflecting such Multi-Year Market Values shall be available upon request six Business Days after such Multi-Year Market Values are filed in December in accordance with Section 4(a) of the tariff herein. Customers wishing to enter into a contract for Multi-Year Market Values shall give Utility written notice no less than seven Business Days prior to the desired effective date of such Multi-Year Market Value contract. The first time that a Delivery Services Customer elects a Transition Charge with a Multi-Year Market Value, as evidenced by their entering into a contract for such Multi-Year Market Value, their Anniversary Date shall be reset to the effective date of the Multi-Year Market Value contract
- \*(b) During the term of any contract entered into pursuant to this Section 7, and notwithstanding any other provisions of SC 110, Rider PPO, Rider PRS, Rider ISS or any Bundled Service Classification, Utility shall have no obligation to supply electric power and energy and Customer shall acknowledge via an affidavit that it shall have no right to receive from Utility electric power and energy for the electric power and energy requirements placed on Delivery Services by a Customer which has entered into a contract pursuant to this Section 7 for the period covered by such contract.

## **CANCELLATION SHEET**

Rider TC - Page 1 of 1 Appendix 2: Market Values

Step 1

## Firm Prices \*Energy - (Cents/kWh)

								Pe	ak								
Month	Hr 6	Hr 7	Hr 8	Hr 9	Hr 10	Hr 11	Hr 12	Hr 13	Hr 14	Hr 15	Hr 16	Hr 17	Hr 18	Hr 19	Hr 20	Hr 21	Off-Peak
January	X.XXX	X.XXX	X.XXX	X.XXX	XXX,X	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
February	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	x.xxx
March	X.XXX	X.XXX	_ x.xxx	x.xxx	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
April	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	х.ххх	X.XXX	X.XXX	X.XXX
May	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	x.xxx
June	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	x.xxx	x.xxx
July	X.XXX	X.XXX	x.xxx	x.xxx	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx
August	x.xxx	X.XXX	X.XXX	X.XXX	X,XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
September	X.XXX	x.xxx	X.XXX	x.xxx	X.XXX	x.xxx	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX
October	X.XXX	x.xxx	X.XXX	x.xxx	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
November	X.XXX	X.XXX	x.xxx	x.xxx	XXX,X	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX
December	XXX,X	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
*	Capacity	Deman	d Credit:		\$9.00 /k\	N year a <sub>l</sub>	oplied mo	nthly in t	he followi	ng mann	er						
	January:		\$0.5625/	(W	April:		\$0.3750/1	¢W	July:		\$2.2500/	kW	October:		\$0.3750/	κW	
	February:		\$0.5625/	(W	May:		\$0.3750/	¢W	August:		\$2.2500/	kW	Novembe	er:	\$0.3750/	¢W	
	March:		\$0.3750/	(W	June:		\$0.5625/1	¢W	Septemb	er:	\$0.5625/	kW	Decembe	er:	\$0.3750/	¢W	

## Non-Firm Prices \*Energy - (Cents/kWh)

								Pea	ak								
Month	Hr 6	Hr 7	Hr 8	Hr 9	Hr 10	Hr 11	Hr 12	Hr 13	Hr 14	Hr 15	Hr 16	Hr 17	Hr 18	Hr 19	Hr 20	Hr 21	Off-Peak
January	X.XXX	X.XXX	XXX,X	x.xxx	X.XXX	X.XX											
February	X.XXX	х.ххх	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XX								
March	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	х.ххх	X.XXX	X.XXX	XXX,X	XXXXX	X,XXX	X.XXX	x.xxx	x.xxx	X.XXX	X.XX
April	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XX											
May	X.XXX	x.xxx	X.XXX	X.XXX	XXXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XX						
June	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XX											
July	X.XXX	X.XXX	XXX,X	X.XXX	X.XXX	X.XX											
August	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XX											
September	X.XXX	x.xxx	X.XXX	X.XXX	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	XXX,X	X.XXX	X.XXX	X.XXX	X.XXX	X.XX
October	X.XXX	XXX,X	X.XXX	x.xxx	X.XXX	X.XXX	X.XX										
November	X.XXX	XXXX	X.XXX	X.XXX	X.XXX	X.XX											
December	X.XXX	XXXX,X	х.ххх	X.XXX	X.XXX	X.XXX	X,XX										

Step 2 Multiply the values in Step 1 by an amount equal to (1 + LFA).

Step 3 Add to the energy prices from Step 2 an amount equal to 0.0248 cents per kWh to represent retail marketing costs and uncollectible costs.

<sup>\*</sup> Asterisk indicates change

# Rider TC - Page 1 of 2 Appendix 3: Multi -Year Market Values For Customers entering into a 2 year Mulit-Year Market Value Contract

Step 1

#### Firm Prices Energy - (Cents/kWh)

								Pe	ak								
Month	Hr 6	Hr 7	Hr 8	Hr 9	Hr 10	Hr 11	Hr 12	Hr 13	Hr 14	Hr 15	Hr 16	Hr 17	Hr 18	Hr 19	Hr 20	Hr 21	Off-Peak
January	x.xxx	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	XXX,X	XXX,X	X.XXX	X.XXX	X.XX
February	X.XXX	x.xxx	X.XXX	x.xxx	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XX
March	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	XXX,X	X.XXX	X.XXX	X,XXX	X.XXX	X.XXX	X.XX
April	x.xxx	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XX
May	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XX
June	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XX
July	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XX
August	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	х.ххх	X.XXX	x.xxx	X.XX
September	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	х.ххх	X.XXX	X.XXX	x.xxx	x.xxx	x.xxx	x.xxx	X.XX
October	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XX
November	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	x.xxx	X.XXX	X.XXX	X,XXX	X.XXX	X.XXX	X.XXX	x.xxx	x.xxx	X.XXX	X.XX
December	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	XXXX,X	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	XXXX	x.xxx	X.XXX	x.xx
	Capacity	/ Demar	d Credit	:	\$9.00 /k\	N vear a	pplied me	onthly in	the follow	ving mar	nner						
	January:		\$0.5625/	kW	April:	•	\$0.3750/	/kW	July:	•	\$2,2500	kW	October:		\$0.3750/	kW	
	February	:	\$0.5625/	kW	May:		\$0.3750/	/kW	August:		\$2.2500	kW	Novemb	kW			
	March:		\$0.3750/	ΚW	June:		\$0.5625/	kW	Septemb	er:	\$0.5625/	kW	Decemb	er:	\$0.3750/	/kW	

## Non-Firm Prices Energy - (Cents/kWh)

								Pe	ak							, and the second	
Month	Hr 6	Hr 7	Hr 8	Hr 9	Hr 10	Hr 11	Hr 12	Hr 13	Hr 14	Hr 15	Hr 16	Hr 17	Hr 18	Hr 19	Hr 20	Hr 21	Off-Peak
January	X.XXX	X.XX															
February	X.XXX	X.XX															
March	x.xxx	X.XXX	х.ххх	X.XXX	X.XX												
April	x.xxx	X.XX															
May	X.XXX	х.ххх	x.xxx	x.xxx	x.xxx	X.XXX	X.XX										
June	X.XXX	X.XXX	X.XXX	X.XXX	x,xxx	x.xxx	x.xxx	х.ххх	X.XXX	x.xxx	X.XXX	x.xxx	х.ххх	х.ххх	x.xxx	X,XXX	X.XX
July	X.XXX	X.XX															
August	X.XXX	X.XX															
September	X.XXX	X.XX															
October	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	х.ххх	x.xxx	X.XX								
November	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	х.ххх	x.xxx	X.XXX	X.XXX	x,xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	X.XX
December	X.XXX	X.XX															

Step 2 Multiply the values in Step 1 by an amount equal to (1 + LFA).

Step 3 Add to the energy prices from Step 2 an amount equal to 0.0248 cents per kWh to represent retail marketing costs and uncollectible costs.

# Rider TC - Page 2 of 2 Appendix 3: Multi -Year Market Values For Customers entering into a 3 year Mulit-Year Market Value Contract

#### Step 1

#### Firm Prices Energy - (Cents/kWh)

								Pe	ak								
Month	Hr 6	Нг 7	Hr 8	Hr 9	Hr 10	Hr 11	Hr 12	Hr 13	Hr 14	Hr 15	Hr 16	Hr 17	Hr 18	Hr 19	Hr 20	Hr 21	Off-Peak
January	x.xxx	x.xxx	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X,XXX	X,XXX	X.XXX	X.XXX	X.XXX	XXXXX	X.XXX	X.XXX	х.ххх
February	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx
March	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
April	x.xxx	X.XXX	x.xxx	X.XXX	X.XXX	x.xxx	X.XXX	x.xxx	х.ххх	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx
Мау	x.xxx	x.xxx	X.XXX	x.xxx	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	х.ххх	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
June	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
July	x.xxx	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	XXX,X	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx
August	x.xxx	x.xxx	x.xxx	x.xxx	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
September	x.xxx	x.xxx	X.XXX	X.XXX	x.xxx	x,xxx	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
October	x.xxx	x.xxx	x.xxx	x.xxx	x.xxx	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	ххх,х	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx
November	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX
December	x.xxx	х.ххх	x.xxx	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	x.xxx
	Capacity January: February March:	r.	d Credit \$0.5625/ \$0.5625/ \$0.3750/	kW kW	\$9.00 /kt April: May: June:		pplied m \$0.3750 \$0.3750 \$0.5625	/kW /kW	the follow July: August: Septemb	•	nner \$2.2500 \$2.2500 \$0.5625	/kW	October Novemb Decemb	er:	\$0.3750; \$0.3750; \$0.3750;	/kW	

## Non-Firm Prices Energy - (Cents/kWh)

								Pe	ak								
Month	Hr 6	Hr 7	Hr 8	Hr 9	Hr 10	Hr 11	Hr 12	Hr 13	Hr 14	Hr 15	Hr 16	Hr 17	Hr 18	Hr 19	Hr 20	Hr 21	Off-Peal
January	x.xxx	X.XXX	X.XXX	x.xxx	X.X3												
February	X.XXX	X,XXX	x.xxx	x.xxx	X.XXX	X.XXX	х.ххх	X.XXX	x.xxx	X.XXX	X.X						
March	X.XXX	X.XXX	x.xxx	XXX,X	X.XX												
April	x.xxx	x.xxx	x.xxx	X.XXX	X.XX												
May	X.XXX	x.xxx	x.xxx	X.XXX	X.X)												
June	X.XXX	x.xxx	X.XXX	x.xxx	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	х.хх	X.XXX	X.XXX	X.XXX	X.XXX	χ.χν
July	X.XXX	х.ххх	X.XXX	x.xxx	x.xxx	X.XXX	X.XX										
August	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	х,ххх	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XX
September	X.XXX	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	XXX,X	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	x.xxx	X.XXX	X.XX
October	X.XXX	х.ххх	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	x.xxx	X.XXX	x.xxx	X.XX						
November	X.XXX	x.xxx	X.XXX	X.XXX	X.XXX	X.XXX	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	ххх,х	x.xxx	x.xxx	X.XXX	X.X)
December	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	X,XXX	X.XXX	X.XXX	X.XXX	X.XXX	X.XXX	х,ххх,	X.XXX	X.XXX	X.XXX	X.XX

Step 2 Multiply the values in Step 1 by an amount equal to (1 + LFA).

Step 3 Add to the energy prices from Step 2 an amount equal to 0.0248 cents per kWh to represent retail marketing costs and uncollectible costs.